SUBCOMMITTEE NO. 2

Agenda

Sheila Kuehl, Chair Bob Dutton Alan Lowenthal



Monday, April 3, 2006 Outcomes

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Resources—Environmental Protection—Energy—Utilities

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Climate Change Initiative Overview

Action. The entire Climate Change Initiative was held open. Staff received the Climate Action Team report Monday morning and needs additional time to review the report. Staff will contact the Office of Secretary if more detail is needed on the following:

- A detailed plan for achieving GHG emission reduction goals, including a comprehensive research portfolio.
- A plan for measuring GHG emissions and the development of tools to evaluate the efficiency and cost effectiveness of different emission reduction strategies.

0555 Secretary for Environmental Protection

1. Climate Change Initiative

Action. Issue held open.

2. Climate Action Registry

Action. Issue held open.

3. CUPA Oversight

Action. Approved this budget proposal.

Vote. 3-0

4. Coordination of California/Mexico Border Issues

Action. Approved this budget proposal.

Vote. 3-0

5. Cal-EPA Consolidation of Administrative Functions

Action. Approved this budget proposal.

Vote. 3-0

6. Environmental Protection Indicators of California— Informational Item

Action. No action was taken on this information item. The Office of the Secretary indicated that it is compiling information related to its review of the role of science and will provide the information in the next few weeks.

7. Environmental Education Program

Action. Issue held open pending receipt of report that is currently in the review process.

3360 California Energy Commission

1. Climate Change Initiative

Action. Issue held open.

2. Public Interest Energy Research Natural Gas Program

Action. Issue held open pending receipt of the following information:

- Additional information on the joint planning process between CEC and ARB.
- The final draft of the five-year investment plan.

3. Verification and Evaluation of Energy Efficiency Savings

Action. Approved this budget proposal.

Vote. 3-0

4. Other Budget Proposals

Action. Approved the following budget proposals:

- Information Technology.
- Governmental Affairs.

Vote. 3-0

5. Frontier Line—Informational Issue

Action. No action was taken on this informational item.

8660 California Public Utilities Commission

1. Climate Change Initiative

Action. Issue held open.

3980 Office of Environmental Health Hazard Assessment

1. Funding Adequacy

Action.

- Approved budget proposal to add \$266,000 in special funds to augment the department's Proposition 65 program.
- Requested staff, the LAO, and DOF to identify appropriate special funds available to fund other unmet baseline funding needs at OEHHA on an ongoing basis.

Vote. 3-0

2. Lead in Candy

Action. Approved this budget proposal.

Vote. 3-0

3. Health Risks of Dry Cleaning Alternatives

Action. Approved this budget proposal.

Vote. 3-0

3900 Air Resources Board

Alternatives to Perchloroethylene in Dry Cleaning – Informational Item

Action. No action was taken on this informational item. The ARB indicated that staff recommendations to the board will be made by May 2006. They are evaluating the approach taken by the South Coast Air Quality Management District (complete phase out of Perc over 20

year period) and other approaches, including siting regulations for dry cleaning businesses, and mandatory adoption of new generations of equipment.

1. Climate Change Initiative.

Action. Issue held open.

2. Hydrogen Highway

Action. Issue held open.

3. Innovative Clean Air Technologies Grant Program

Action. Approved this budget proposal.

Vote. 3-0

4. Air Quality Enforcement

Action. Approved this budget proposal.

Vote. 2-0 (Dutton)

5. Goods Movement Activities

Action. Approved this budget proposal.

Vote. 2-1 (Dutton)

6. NAFTA-Related Air Emissions—Informational Item

Action. No action was taken on this informational item. The department will provide additional information to the subcommittee to answer the following questions:

- Does the board have a system for assessing the adequacy of its current enforcement program?
- Does the board have a system in place to measure the displacement of U.S. vehicles with vehicles originating in Mexico?
- What activities are the new staff engaged in since free commercial travel between the U.S. and Mexico have not commenced?

7. Carl Moyer Program—Cleanup Trailer Bill Language

Action. Approved this budget proposal.

Vote. 3-0

8. Lower-Emissions School Bus Program—Informational Item

Action. No action was taken on this informational item. Staff notes that a Finance Letter was received on this issue that will be reviewed at a future hearing date.

9. Haagen-Smit Laboratory Seismic Upgrades

Action. Approved this budget proposal.

Vote. 3-0

3910 Integrated Waste Management Board

1. Climate Change Initiative

Action. Issue held open.

2. Waste Tire Recycling Management Program

Action.

• Approved budget proposal for the new enforcement positions.

Vote. 3-0

• Requested that the board work with staff, the LAO, and DOF to develop supplemental report language to provide the Legislature with additional baseline information on the board's tire enforcement program.

Vote. 3-0

• Approved budget proposal for the RAC and TDA grants.

Vote. 3-0

Requested that the board work with staff, the LAO, and DOF to develop budgeting
procedures that categorize grant expenditures as local assistance to improve legislative
oversight. (Staff notes that the department has submitted a proposal and staff will review
before more information is needed.)

Vote. 3-0

• Adopted trailer bill language that would keep the tire fee at its current level (\$1.75) (to be drafted by staff).

Vote. 2-1 (Dutton)

3. Electronic Waste Recycling Program

Action. Approved this budget proposal. Staff and DOF to follow up on amending budget to make BOE appropriation a reimbursement contract with the Waste Board.

Vote. 3-0

4. Project Recycle Program and State Agency Buy Recycle Program

Action. Approved this budget proposal. Waste Board to provide additional information on its best practices manual and what it has done to improve the performance of the Buy Recycle Program.

Vote. 3-0

5. Recycling Market Development Zone Loan Program

Action. Approved this budget proposal.

Vote. 3-0

6. Financial Assurances for Landfills

Action. Adopted supplemental report language to provide the Legislature with recommendations for providing additional financial assurances for post-closure landfills to ensure the protection of public health and safety (to be developed by staff, the department, DOF, and LAO).

Vote. 3-0

7. Universal Waste—Informational Item

Action. No action was taken on this information item. The board to provide additional information on its activities, including efforts to teach school-age children what items are illegal to place in the trash.

8. Manufacturer Take-Back Programs

Action. This issue was held open and staff was requested to work with the department, LAO and DOF to develop supplemental report language that requires the board to prepare a report on the feasibility of requiring most or all manufacturers of goods purchased or procured by the state to be subject to extended producer responsibility, including recommendation of a date by which this could be implemented.

9. LNG from Landfills – Not on Agenda

Action. Requested staff to work with the department, LAO, and DOF to identify funding sources for a demonstration project that converts methane gas from landfills to LNG.

3930 Department of Pesticide Regulation

1. Mill Assessment Collection

Action.

• Adopted the budget proposal to augment audit resources.

Vote. 3-0

• Adopted a conservative revised revenue requirement (\$500,000) for the Department of Pesticide Regulation Fund due to increased mill revenues.

Vote. 2-1 (Dutton)

• Adopted a \$500,000 increase to the department's risk assessment activities to partially backfill the General Fund reduction made to this program earlier this decade.

Vote. 2-1 (Dutton)

Methyl Bromide Decision – Informational Item

Action. No action was taken on this informational item. The department indicated that it has no plans yet to appeal the decision or revisit the standard challenged by the courts.

2. Department Budget Reorganization

Action. Approved this budget proposal.

Vote. 3-0

3940 State Water Resources Control Board

1. Monitoring Activities

Action. Approved this budget proposal to augment the SWAMP program by \$8.5 million.

Vote. 2-1 (Dutton)

2. Basin Planning/Water Quality Standards

Action. Approved this budget proposal.

Vote. 3-0

3. Underground Storage Tank Cleanup Fund Program

Action.

• Approved one-time \$10 million increase in Underground Storage Tank Cleanup Funds for claims.

Vote. 3-0

• Held open the support proposal to redirect positions from the board's bond program until additional information is received from the board on the decreased workload for the bond program and increased workload for the tank program.

3960 Department of Toxic Substances Control

1. Toxic Substances Control Account

Action.

• Adopted trailer bill language to expand the environmental fee to all businesses with 50 or more employees.

Vote. 2-1 (Dutton)

• Adopted trailer bill language to eliminate the Hazardous Substances Subaccount and redirect fines and penalties to TSCA to fund the state's share of federal superfund sites and state-only superfund sites.

Vote. 3-0

• Adopted trailer bill language to eliminate other obsolete funds and transfer balances to TSCA.

Vote. 3-0

• Adopted budget proposal to reduce operating expenses and equipment activities by \$2.8 million.

Vote. 3-0

• Adopted budget proposal to reduce contract funds by \$250,000.

Vote. 3-0

2. Electronic Waste Recycling Program

Action. Approved this budget proposal.

Vote. 3-0

3. Uniform Hazardous Waste Manifest

Action. Approved this budget proposal for trailer bill language.

Vote. 3-0

4. Metal Plating Pollution Prevention Program

Action. Approved this budget proposal.

Vote. 3-0

5. Military Site Clean Up

Action. Approved this budget proposal.

Vote. 3-0

6. BKK Class I Landfill

Action.

• Reduced the department's current year appropriation from the General Fund by \$1.5 million and increased reimbursements by a like amount due to increased payments from potential responsible parties.

Vote. 3-0

• Requested that the department work with staff, the LAO, and DOF to reduce the department's General Fund support by an appropriate amount based on the recent consent decree entered into by the department.

7. Universal Waste—Informational Item

Action. No action was taken on this informational item. The department is to coordinate with the board to provide additional information on its activities, including efforts to teach school-age children what items are illegal to place in the trash.

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8. Perchlorate – Not on Agenda

Action. No action was taken on this informational item. The department is to provide additional information on what it is doing to communicate with the community potentially impacted by finding perchlorate near Orcutt Ranch.